INFORMATION PAPER

SUBJECT: Operation Iraqi Freedom (OIF) Extension Incentive Package

- 1. PURPOSE. To provide information on the additional finance entitlements Soldiers will receive for deployments exceeding 365 days as part of the OIF Incentive Package
- 2. BOTTOM LINE. Soldiers extended past 365 days will be authorized an additional \$200/month for Hardship Duty Pay-Tempo (HDP-T) and \$800/month for Assignment Incentive Pay (AIP).

3. DISCUSSION.

- a. HDP-T Soldiers who qualify* for the incentive package will be paid a flat \$200 for any month or any portion of a month served in Iraq beyond the date the member's unit was due to rotate out of Iraq, as long as the member's total monthly rate of HDP does not exceed \$300. For officers, if this extra amount puts them over the tax-exempt limit of \$6,315.90/month, than the portion over this amount will be taxable.
- b. Assignment Incentive Pay (AIP) Soldiers who qualify* for the incentive package will be paid a flat \$800 for any month in which the member performs service in Iraq beyond the member's scheduled 12-month rotation date. For officers, if this extra amount puts them over the tax-exempt limit of \$6,315.90/month, than the portion over this amount will be taxable.
 - * WHO: Military members, who are in a unit currently deployed in Iraq that the Combatant Commander has determined will be required to remain in Iraq beyond the unit's normal 12-month rotation return date, will be offered the incentive.
 - * WHEN: Upon verification of the first field grade officer in the chain of command. To qualify, an individual must have been deployed for a combined time of 12 consecutive months, or 12 months within a 15 month period (365 out of 450 days).
- c. LES Display when Soldier's start receiving their additional entitlements, AIP will be listed as "SPEC DUTY PAY" and HDP-T will be listed as "SAVE PAY".
- 4. COORDINATION. 266th Finance Battalion and 1st Personnel Command Personnel Services Support Directorate.

Approved: Mr. Stephen Bridges, Director Finance & Accounting Policy Date: 30 April 2004